ESTTA Tracking number:

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Filing date:

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	92048830
Party	Defendant ACCESS NURSES, INC.
Correspondence Address	ACCESS NURSES, INC. 5935 Cornerstone Court West, Suite 300 San Diego, CA 92121 UNITED STATES
Submission	Motion to Suspend for Civil Action
Filer's Name	Michelle A. Hon
Filer's e-mail	mhon@duanemorris.com, sebaker@duanemorris.com
Signature	/Michelle A. Hon/
Date	02/08/2008
Attachments	Access Motion to Suspend.pdf (33 pages)(1416900 bytes)

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

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ACCESS NURSES, INC.,			
Reg. Nos.: 3,229,311			
3,255,217			
3,295,434			
Marks: ACCESS NURSES			
ACCESS NURSES AND DE	SIGN;		
ACCESS HEALTHCARE			
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ALTERNATIVE CARE SYSTEMS, INC. d/b/b A		:	Cancellation No. 92048830
NURSING SERVICES		:	
	Petitioner,	:	
V.		:	
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ACCESS NURSES, INC.		:	
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MOTION TO SUSPEND PENDING CIVIL PROCEEDING UNDER 37 C.F.R. § 2.117(a)

Pursuant to 37 C.F.R. § 2.117(a) and TBMP § 510.02(a), Registrant, Access Nurses, Inc., hereby requests suspension of the above-captioned cancellation proceeding pending the outcome of a potentially dispositive civil action between the parties. The civil action involves common issues that will have a bearing on the issues in the cancellation proceeding before the Board.

On January 19, 2008, Petitioner filed an Amended Complaint against Registrant for federal trademark infringement, state trademark infringement, state unfair competition and cancellation of the trademark registrations that are the subject of this cancellation proceeding, in the United States District Court for the Southern District of New York (Civil Action No. 07-CV-10537) (the "Civil Action"). A true and correct copy of the Amended Complaint is annexed

hereto as Exhibit A. On February 7, 2008, Registrant filed its Answer and Counterclaim. A true and correct copy of the Answer and Counterclaim is annexed hereto as Exhibit B.

Accordingly, Registrant respectfully moves the Board to suspend this cancellation proceeding pending the District Court's final disposition of the Civil Action between Registrant and Petitioner. If the Civil Action is concluded without a settlement or judgment that resolves the issues raised in this opposition proceeding, Applicant will promptly notify the Board.

Dated: February 8, 2007

I hereby certify that this paper being transmitted by electronic mail to the United States Patent and Trademark Office Trademark Trial and Appeal Board on the date shown below.

/Susan Baker/ Susan Baker

Dated: February 8, 2008 DUANE MORRIS LLP DUANE MORRIS LLP

By: /Michelle A. Hon/ Michelle A. Hon

101 West Broadway, Suite 900San Diego, CA 92101(619) 744-2200

Attorney for Applicant

CERTIFICATE OF SERVICE

I hereby certify that I caused a true and correct copy of the foregoing Motion To Suspend Pending Civil Proceeding Under 37 C.F.R. § 2.117(A) to be served upon Petitioner's counsel by first class mail postage pre-paid this 8th day of February, 2008 to:

> Griffith B. Price, Jr. Finnegan, Henderson, Farabow, Garrett & Dunner, LLP 901 New York Ave., NW Washington D.C. 20001-4413

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FILE COPY

IN THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK

ALTERNATIVE CARE SYSTEMS, INC., d/b/a
ACCESS NURSING SERVICES,

Plaintiff,

v.

ACCESS NURSES, INC.,

Defendant.

Defendant.

AMENDED COMPLAINT FOR TRADEMARK, SERVICE MARK, AND TRADE NAME INFRINGEMENT AND UNFAIR COMPETITION WITH JURY DEMAND

As and for its Amended Complaint in this action, Plaintiff ALTERNATIVE CARE SYSTEMS, INC., d/b/a/ ACCESS NURSING SERVICES ("ACCESS NURSING"), by its undersigned attorneys, alleges as follows, upon actual knowledge with respect to itself and its own acts, and upon information and belief as to all other matters:

Nature Of The Action

1. This is a civil action for trademark, service mark, and trade name infringement and unfair competition arising under federal and state statutes and the common law. ACCESS NURSING brings this action against Defendant ACCESS NURSES, INC. ("ACCESS NURSES") because it has recently become aware that Defendant is using the phrase ACCESS NURSES as a part of its name and mark for products and services that compete directly with ACCESS NURSING'S products and

services sold under its name and registered and common law marks in the same geographic markets. ACCESS NURSES' accused name and mark are for all practical purposes identical to the name and marks ACCESS NURSING has long used in the course of its business, and ACCESS NURSES' use of its accused name and mark has caused, and will continue to cause, actual confusion in the marketplace unless enjoined by this Court.

The Parties

- 2. Plaintiff ACCESS NURSING is a New York corporation with a business office at 411 Manville Road, Pleasantville, NY 10570, within this judicial district.
- 3. Defendant ACCESS NURSES is a Delaware corporation with an address at 5935 Cornerstone Court West, San Diego, CA 92121. ACCESS NURSES does business in the State of New York and in this District.

Jurisdiction And Venue

4. This action arises under the Federal Trademark Act, 15 U.S.C. §§ 1051 *et seq.*, and under the laws of the State of New York and other states, both statutory and common law. Subject matter jurisdiction over this action is conferred upon this Court by 15 U.S.C. § 1121 and 28 U.S.C. §§ 1331, 1338(a) and (b). This Court also has diversity jurisdiction under 28 U.S.C. § 1332 because Plaintiff ACCESS NURSING and Defendant ACCESS NURSES are citizens of different states and the amount in controversy exceeds \$75,000.00, exclusive of interest and costs. Pursuant to 28 U.S.C. § 1367(a), this Court has supplemental jurisdiction over Plaintiff's state law claims

because those claims are substantially related to ACCESS NURSING's Federal Trademark Act claim.

5. Defendant ACCESS NURSES is subject to the *in personam* jurisdiction of this Court because it is doing business in this District. Venue is proper in the Southern District of New York pursuant to 28 U.S.C. § 1391(b) and (c) because Plaintiff ACCESS NURSING is being harmed in this District and Defendant is using the infringing ACCESS NURSES mark and name in this District.

Plaintiff And Its ACCESS NURSING Name And Mark

- 6. Plaintiff ACCESS NURSING provides and locates health care personnel, including but not limited to Registered Nurses, Licensed Practical Nurses and other aides, to care facilities such as hospitals, nursing homes, home health care, schools, clinics, insurance companies, corporations and many others. ACCESS NURSING provides said services in many states. ACCESS NURSING has used the marks and names ACCESS NURSING, ACCESS NURSING SERVICES, and ACCESS (collectively, "the ACCESS NURSING Name and Marks") continuously since at least as early as 1985 in the course of its business.
- 7. ACCESS NURSING applied to register its mark ACCESS NURSING SERVICES AND DESIGN with the U.S. Patent and Trademark Office ("PTO") on March 15, 1993. The PTO granted Plaintiff's application and issued Registration No. 2,057,656 on April 29, 1997, for "providing nursing personnel to render health care services to patients, excluding educational, counseling psychological, or consulting services provided to, or related to the professional and personal development of, health

care professionals, in class 42". (Copy of Reg. No. 2,057,656 attached as Exhibit 1.)

ACCESS NURSING's Registration No. 2,057,656 was renewed on June 1, 2007, and is currently valid and subsisting on the Principal Register of the PTO in ACCESS NURSING's name. Pursuant to the provisions of 15 U.S.C. § 1065, Reg. No. 2,057,656 has become incontestable and therefore constitutes conclusive evidence of the validity of the registered mark and of the registration of the mark, of ACCESS NURSING's ownership of the registered mark, and of ACCESS NURSING's exclusive right to use the registered mark in commerce, as provided by 15 U.S.C. § 1115(b).

- 8. ACCESS NURSING's business has grown steadily since its inception.

 ACCESS NURSING currently places health care personnel in health care facilities in many states. Over the years, the health care facilities with whom ACCESS NURSING has placed health care personnel have come to expect superior quality services, and associate these qualities with ACCESS NURSING and the ACCESS NURSING Name and Marks.
- 9. ACCESS NURSING has extensively advertised and promoted the ACCESS NURSING Name and Marks throughout the course of its existence, including through its website located at the domain name "www.accessnursing.com".
- 10. The ACCESS NURSING Name and Marks are inherently distinctive and have enjoyed and/or acquired secondary meaning long prior to Defendant's adoption and use of the infringing ACCESS NURSES name and mark.
- 11. ACCESS NURSING has established extensive and invaluable rights and goodwill in its ACCESS NURSING Name and Marks by virtue of its long use of the ACCESS NURSING Name and Marks, its substantial promotional and marketing efforts,

its substantial advertising and promotional expenditures, its strong sales and revenues, and third-party attention and acclaim generated in the course of its business of providing and locating health care personnel to health care facilities, all in connection with the ACCESS NURSING Name and Marks.

ACCESS NURSES And Its Wrongful Conduct

- 12. Defendant ACCESS NURSES asserts that it provides and locates health care personnel to servicing healthcare facilities located in many states, including but not limited to New York and other states where ACCESS NURSING does business and has long used its ACCESS NURSING Name and Marks.
- 13. Long after ACCESS NURSING began using the ACCESS NURSING
 Name and Marks, and well after ACCESS NURSING SERVICES was registered in
 ACCESS NURSING's name on the Principal Register of the U.S. Patent and Trademark
 Office and had become incontestable pursuant to the provisions of the Federal
 Trademark Act, Defendant adopted the phrase ACCESS NURSES and/or ACCESS
 HEALTHCARE (collectively, "Defendant's Infringing Name and Marks") as and/or as
 part of its name and mark, and has begun to use ACCESS NURSES and/or ACCESS
 HEALTHCARE in the course of its business in direct competition with Plaintiff.
- 14. Defendant's infringing use of the ACCESS NURSES and/or ACCESS HEALTHCARE name and mark has caused actual confusion in the market for the parties' products and services. ACCESS NURSING has been advised by health care professionals to whose facilities it provides health care personnel that said health care facilities have been contacted by ACCESS NURSES. Said health care professionals

have been confused into wrongly believing that ACCESS NURSES and ACCESS NURSING were one and the same company offering the same services.

- 15. On January 20, 2006, Defendant filed application Serial No. 78/795,864 with the U.S. Patent and Trademark Office to register the mark ACCESS NURSES, claiming a first use in commerce in July, 2001. On April 17, 2007, that application matured into U.S. Registration No. 3,229,311.
- 16. On January 20, 2006, Defendant filed application Serial No. 78/796,027 with the U.S. Patent and Trademark Office to register the mark ACCESS NURSES AND DESIGN, claiming a first use in commerce in July, 2001. On June 26, 2007, that application matured into U.S. Registration No. 3,55,217.
- 17. On January 18, 2006, Defendant filed application Serial No. 78/793,5050 with the U.S. Patent and Trademark Office to register the mark ACCESS HEALTHCARE, claiming a first use in commerce in March, 2001. On September 18, 2007, that application matured into U.S. Registration No. 3,295,434.
- 18. All of Defendant's registrations are for "nurse staffing services, namely, hiring, recruiting, placement, staffing and career networking services for traveling and non-traveling services" in Class 35, services which are substantially similar if not identical to Plaintiff's.
- 19. On information and belief, Defendant did not inform the U.S. Patent and Trademark Office of ACCESS NURSING's prior use and registration of its ACCESS NURSING Name and Marks when Defendant filed and prosecuted its applications for those registrations.

- 20. On information and belief, the U.S. Patent and Trademark Office granted Defendant's applications for those registrations without knowledge or consideration of the parties' actual manner and scope of use of their respective names and marks in the real world marketplace, and without knowledge or consideration of the actual confusion that has occurred and will continue to occur as a consequence of Defendant's infringement as alleged herein.
- 21. The registration of Defendant's Infringing Name and Marks on the Principal Register of the U.S. Patent and Trademark office has contributed, and will continue to contribute, to consumer confusion and to the harm suffered by Plaintiff as a consequence of Defendant's infringement as alleged herein.

First Claim For Relief

Federal Trademark Infringement Under 15 U.S.C. § 1114

- 22. ACCESS NURSING repeats and realleges every allegation set forth in paragraphs 1 through 21, above.
- 23. Defendant ACCESS NURSES's wrongful acts alleged herein by using a name and marks substantially the same as and/or confusingly similar to ACCESS NURSING's incontestably registered mark have already caused and are likely to continue to cause confusion, or to cause mistake, or to deceive as to the origin, sponsorship, or association of ACCESS NURSES and its services and products with Plaintiff ACCESS NURSING, or as to the origin, sponsorship, or approval of Defendant, its services and products, and its commercial activities by or with ACCESS NURSING, and thus constitute infringement under 15 U.S.C. § 1115.

Second Claim For Relief

Common Law Infringement Under 15 U.S.C. § 1125(a)

- 24. ACCESS NURSING repeats and realleges every allegation set forth in paragraphs 1 through 23, above.
- 25. Defendant ACCESS NURSES's wrongful acts as alleged herein have already caused and are likely to continue to cause confusion, or to cause mistake, or to deceive as to the origin, sponsorship, or association of ACCESS NURSES and its services and products with Plaintiff ACCESS NURSING, or as to the origin, sponsorship, or approval of Defendant, its services and products, and its commercial activities by or with ACCESS NURSING, and thus constitute trade and service mark infringement, trade name infringement and false designation of origin in violation of Section 43(a) of the Lanham Act, 15 U.S.C. § 1125(a)(1)(A).

Third Claim for Relief

Common Law Trademark Infringement And Injury To Business Reputation Under New York Law And The Statutes Of Other States

- 26. ACCESS NURSING repeats and realleges every allegation set forth in paragraph 1 through 25, above.
- 27. ACCESS NURSES' wrongful actions alleged herein pass off the services of Defendant as those of Plaintiff; cause and are likely to cause confusion or misunderstanding as to the source, sponsorship, approval, or certification of Defendant's goods or services; and cause, or are likely to cause, confusion or misunderstanding as to the affiliation, connection, or association with, or certification by,

Defendant's services and products with Plaintiff, in violation of N.Y. Gen. Bus. Law Section 360-o and the statutes of other states. ACCESS NURSES's wrongful actions alleged herein threaten to cause, and have caused, injury to the business reputation of ACCESS NURSING and/or dilution of the distinctive quality of the ACCESS NURSING Name and Marks in violation of N.Y. Gen. Bus. Law Section 360-I and the statutes of other states.

28. As a direct and proximate result of the wrongful actions, conduct, and practices of ACCESS NURSING alleged herein, ACCESS NURSING has been injured and will continue to be irreparably injured under the laws of New York and of other states unless Defendant is enjoined.

Fourth Claim For Relief

Common Law Trade And Service Mark Infringement, Trade Name Infringement, Unfair Competition, And Misappropriation Under New York State Law And the Law of Other States

- 29. ACCESS NURSING repeats and realleges every allegation set forth in Paragraphs 1 through 28, above.
- 30. ACCESS NURSES's wrongful actions alleged herein constitute common law trade and service mark infringement, trade name infringement, unfair competition, and misappropriation of ACCESS NURSING's goodwill under New York common law and the common law of other states.
- 31. As a direct and proximate result of the wrongful actions, conduct, and practices of ACCESS NURSES alleged herein, ACCESS NURSING has been injured

and will continue to be irreparably injured under the laws of New York and of other states unless Defendant is enjoined.

Fifth Claim for Relief

Cancellation of Registrations Under 15 U.S.C. § 1119 Based On Prior Use And Registration

- 32. ACCESS NURSING hereby repeats and realleges each and every allegation set forth in paragraphs 1 through 31, above.
- 33. As alleged above, ACCESS NURSING began using its ACCESS NURSING Name and Marks, and obtained federal registration for its ACCESS NURSING SERVICES AND DESIGN mark, long prior to any date upon which Defendants can rely for their first use of or application to register the infringing marks.
- 34. ACCESS NURSING has been, and will continue to be, damaged by the registration of ACCESS NURSES' infringing name and marks on the Principal Register of the United States Patent and Trademark Office as alleged herein.
- 35. Based on ACCESS NURSING's priority, U.S. Registration Nos. 3,255,217, 3,229,311, and 3,295,434 for the marks ACCESS NURSES, ACCESS NURSES AND DESIGN, and ACCESS HEALTHCARE should be cancelled in their entirety pursuant to Sections 14 and 37 of the Lanham Act, 15 U.S.C. §§ 1064, 1119.

Prayer For Relief

WHEREFORE, ACCESS NURSING requests that this Court enter judgment in its favor on each and every claim for relief set forth above and award it relief including, but not limited to, the following:

- A. A preliminary and permanent injunction enjoining ACCESS NURSES and its officers, directors, shareholders, employees, agents, subsidiaries, distributors, dealers, and all persons in active concert or participation with any of them from using any mark or name comprised of or containing ACCESS, ACCESS NURSES, and/or ACCESS HEALTHCARE, or any other confusingly similar mark or name, in any manner in connection with, among other things, placing healthcare service providers in entities having the need for such personnel, or any other services that will result in a likelihood of confusion, mistake, or misassociation with ACCESS NURSING or the ACCESS NURSING Name and Marks.
- B. An order requiring ACCESS NURSES to destroy and/or immediately retract all materials comprised of or containing the marks or names ACCESS NURSES, INC., ACCESS NURSES, ACCESS HEALTHCARE, and/or ACCESS.
- C. An order directing Defendant to transfer to ACCESS NURSING the domain name "accessnurses.com", and any other domain names owned or controlled by ACCESS NURSES that contain ACCESS or any variation thereof.
- D. An order directing Defendant to immediately remove and de-list the "accessnurses.com" website and domain name from any search engines or directories in which it appears.

- E. An order requiring ACCESS NURSES to disseminate corrective advertising and to issue press releases to address the actual and likely confusion that it has caused by its wrongful use of ACCESS NURSES, INC., ACCESS NURSES, ACCESS HEALTHCARE, and/or ACCESS.
- F. An Order certified by this Court directing the Director of the U.S. Patent and Trademark Office to cancel U.S. Registration Nos. 3,255,217, 3,229,311, and 3,295,434 for the marks ACCESS NURSES, ACCESS NURSES AND DESIGN, and ACCESS HEALTHCARE, in accordance with Sections 14 and 37 of the Lanham Act, 15 U.S.C. §§ 1064, 1119.
- G. An order requiring ACCESS NURSES to account for and pay to ACCESS NURSING all profits arising from ACCESS NURSES' unlawful acts, such profits to be increased pursuant to 15 U.S.C. § 1117 and other applicable laws.
- H. An order requiring ACCESS NURSES to pay ACCESS NURSING damages, in an amount to be determined, resulting from ACCESS NURSES' unlawful acts, such damages to be trebled pursuant to 15 U.S.C. § 1117 and other applicable laws.
- I. An order requiring ACCESS NURSES to pay ACCESS NURSING's costs and attorneys' fees in this action, pursuant to 15 U.S.C. § 1117 and other applicable laws.
 - J. Such other and further relief as the Court may deem appropriate.

Jury Demand

Plaintiff demands a trial by jury of all issues so triable in this action.

Dated: January ___, 2008

Respectfully submitted,

BRYAN CAVE LLP

Of Counsel:

Griffith B. Price, Jr. (GP 0560) Scott R. Mosko FINNEGAN, HENDERSON, FARABOW, GARRETT & DUNNER, L.L.P. 901 New York Avenue, N.W. Washington, D.C. 20001-4413 (202) 408-4000 By:
Daniel P. Waxman (DW 0599)
Noah M. Weissman
1290 Avenue of the Americas
New York, New York 10104
(212) 541-2000

Attorneys for Plaintiff

Jury Demand

Plaintiff demands a trial by jury of all issues so triable in this action.

Dated: January 19, 2008

Respectfully submitted,

Of Counsel:

Griffith B. Price, Jr. (GP 0560) Scott R. Mosko FINNEGAN, HENDERSON, FARABOW, GARRETT & DUNNER, L.L.P. 901 New York Avenue, N.W. Washington, D.C. 20001-4413 (202) 408-4000 BRYAN CAYE LLP

Daniel P. Waxman (DW 0599)

Noah M. Weissman (NW 8592) 1290 Avenue of the Americas New York, New York 10104

(212) 541-2000

Attorneys for Plaintiff

AFFIDAVIT OF SERVICE

STATE OF NEW YORK) : ss.:
COUNTY OF NEW YORK)

JENNIFER L. POMPER, being duly sworn, deposes and says that deponent is not a party to this action, is over 18 years of age and resides in Selden, New York.

That on the 18th day of January 2008 deponent served by mail the within AMENDED ANSWER upon:

Michelle Hon Duane Morris LLP 101 West Broadway, Suite 900 San Diego, CA 92101-8285

the addresses designated by said attorneys for that purpose by depositing a true copy of same enclosed in postage paid properly addressed wrappers in an official mail box-in the exclusive custody of the United States Postal Service located within the State of New York.

JENNIFER L. POMPER

Sworn to before me this 18th day of January 2008

NOTARY PŬBLIC .

ROGER GARAY
Notary Public, State of New York
No. 01GA6168153
Qualified in Queens County
Commission Expires June 11, 20

DUANE MORRIS LLP

By: Gregory P. Gulia (2562916)

1540 Broadway

New York, NY 10036-4086 Telephone: 212.692.1000 Facsimile: 212.692.1020

And By: Daniel C. Minteer (prospective pro hac vice)

Michelle Hon (prospective pro hac vice)

101 West Broadway, Suite 900 San Diego, CA 92101-8285 Telephone: 619.744.2200

Attorneys for Defendant ACCESS NURSES, INC.

UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF NEW YORK

ALTERNATIVE CARE SYSTEMS, INC. d/b/a/ ACCESS NURSING SERVICES,) CIVIL ACTION NO. 07-CV-10537 (CSH)
Plaintiffs)
v.)
ACCESS NURSES, INC.,)
Defendant.))

DEFENDANT'S ANSWER, AFFIRMATIVE DEFENSES, AND COUNTERCLAIMS WITH JURY DEMAND

Defendant ACCESS NURSES, INC., hereby submits its Answer to Plaintiff's Complaint

as follows:

Nature Of The Action

1. Defendant admits that Plaintiff has styled this action as described. Defendant lacks sufficient information to respond to the allegations in paragraph 1 of the Complaint regarding when Plaintiff first became aware of Access Nurses, and, therefore, denies the allegation both generally and specifically. Defendant denies all other allegations in paragraph 1 of the Complaint.

The Parties

- 2. Defendant lacks sufficient information to respond to the allegations in paragraph 2 of the Complaint, and, therefore, denies both generally and specifically each and every allegation contained therein.
- 3. Defendant admits to the allegations in paragraph 3 that it is a Delaware corporation with an address at 5935 Cornerstone West, San Diego CA 92121 and that it does business in the state of New York. Unless expressly admitted, all other allegations of paragraph 3 are denied.

Jurisdiction and Venue

- 4. Paragraph 4 states only legal conclusions and thus requires no response from Defendant.

 Defendant specifically and generally denies that Plaintiff is entitled to any form of relief against

 Defendant under any of the authorities cited in paragraph 4.
- Defendant admits that it does business in New York. Defendant denies each and every remaining allegation in paragraph 5 of the Complaint.
- 6. Defendant lacks sufficient information to respond to the allegations in paragraph 6 of the Complaint, and, therefore, denies both generally and specifically each and every allegation contained therein.

- Defendant lacks sufficient information to respond to the allegations in paragraph 7 of the 7. Complaint, and, therefore, denies both generally and specifically each and every allegation contained therein.
- Defendant lacks sufficient information to respond to the allegations in paragraph 8 of the 8. Complaint, and, therefore, denies both generally and specifically each and every allegation contained therein.
- Defendant lacks sufficient information to respond to the allegations in paragraph 9 of the 9. Complaint, and, therefore, denies both generally and specifically each and every allegation contained therein.
- Defendant denies each and every allegation in paragraph 10 of the Complaint. 10.
- Defendant denies each and every allegation in paragraph 11 of the Complaint. 11.
- Defendant admits that it provides staffing services for nurses and travel nurses in a 12. multiple states. Unless expressly admitted, all other allegations of paragraph 3 are denied.
- Defendant admits that it uses its trademarks ACCESS NURSES and ACCESS 13. HEALTHCARE. Defendant denies each and every remaining allegation in paragraph 13 of the Complaint.
- Defendant lacks sufficient information to respond to the allegations in paragraph 14 of 14. the Complaint as to whether or not Plaintiff has had communications with healthcare professionals regarding alleged confusion, and, therefore, denies the allegation both generally and specifically. Defendant denies all remaining allegations in paragraph 14 of the Complaint.
- Defendant admits that it filed trademark application Serial No. 78/795,864 which speaks 15. for itself. Defendant admits to owning U.S. Registration No. 3,229,311 which speaks for itself.

- 16. Defendant admits that it filed trademark application Serial No. 78/796,027 which speaks for itself. Defendant denies owning U.S. Registration No. 3,55,217. Defendant admits to owning U.S. Registration No. 3,255,217 which speaks for itself.
- 17. Defendant admits that it filed trademark applications Serial No. 78/793,550 which speaks for itself, and owns U.S. Registration No. 3,295,434 which speaks for itself. Defendant denies each and every remaining allegation in paragraph 17 of the Complaint.
- 18. Defendant denies each and every allegation in paragraph 18 of the Complaint.
- 19. Defendant lacks sufficient information to respond to the allegations in paragraph 19 of the Complaint, and, therefore, denies both generally and specifically each and every allegation contained therein.
- 20. Defendant denies that actual confusion has occurred and will continue to incur.

 Defendant lacks sufficient information to respond to the remaining allegations in paragraph 20 of the Complaint, and, therefore, denies both generally and specifically each and every allegation contained therein.
- Defendant denies each and every allegation in paragraph 21 of the Complaint.

<u>First Claim for Relief</u> Federal Trademark Infringement Under 15 U.S.C. § 1114

- 22. Defendant incorporates every response to every allegation set forth in paragraphs 1 though 21 above.
- Defendant denies each and every allegation in paragraph 23 of the Complaint.

Second Claim for Relief Common Law Infringement Under 15 U.S.C. § 1125(a)

24. Defendant incorporates every response to every allegation set forth in paragraphs 1 though 23 above

25. Defendant denies each and every allegation in paragraph 25 of the Complaint.

Third Claim for Relief Common Law Trademark Infringement And Injury To Business Reputation Under New York Law And The Statues Of Other States

- 26. Defendant incorporates every response to every allegation set forth in paragraphs 1 though 25 above.
- 27. Defendant denies each and every allegation in paragraph 27 of the Complaint.
- 28. Defendant denies each and every allegation in paragraph 28 of the Complaint.

Fourth Claim for Relief Common Law Trade And Service Mark Infringement, Trade Name Infringement, Unfair Competition, And Misappropriate Under New York State Law And the Law Of Other States

- 29. Defendant incorporates every response to every allegation set forth in paragraphs 1 though 28 above.
- 30. Defendant denies each and every allegation in paragraph 30 of the Complaint.
- 31. Defendant denies each and every allegation in paragraph 31 of the Complaint.

Fifth Claim for Relief Cancellation of Registrations Under 15 U.S.C. § 1119 Based on Prior Use and Registration

- 32. Defendant incorporates every response to every allegation set forth in paragraphs 1 though 31 above.
- 33. Defendant denies each and every allegation in paragraph 33 of the Complaint.
- Defendant denies each and every allegation in paragraph 34 of the Complaint.
- 35. Defendant denies each and every allegation in paragraph 35 of the Complaint.

AFFIRMATIVE DEFENSES

FIRST AFFIRMATIVE DEFENSE

As and for a First Affirmative Defense to the Complaint, Defendant alleges that the Complaint and each and every claim for relief therein fails to state a claim upon which relief can be granted as against Defendant.

SECOND AFFIRMATIVE DEFENSE

As and for a Second Affirmative Defense to the Complaint, Defendant alleges that some or all of the claims in the Complaint are barred by each and every applicable statute of limitations.

THIRD AFFIRMATIVE DEFENSE

As and for a Third Affirmative Defense to the Complaint and to each and every claim for relief therein, Defendant alleges that Plaintiff, by its actions and conduct, is barred from recovery against Defendant under the doctrine of laches and acquiescence.

FOURTH AFFIRMATIVE DEFENSE

As and for a Fourth Affirmative Defense to the Complaint and each and every claim for relief therein, Defendants allege that Plaintiff is barred from any affirmative recovery by reason of its own unclean hands.

FIFTH FOURTH AFFIRMATIVE DEFENSE

As and for a Fifth Affirmative Defense to the Complaint and each and every claim for relief therein, Defendant alleges that Plaintiff is barred from any affirmative recovery because Defendant's accused activities are not likely to cause confusion with any of Plaintiff's alleged trademark rights.

SIXTH AFFIRMATIVE DEFENSE

As and for a Sixth Affirmative Defense to the Complaint and each and every claim for relief therein, Defendant alleges that Plaintiff is barred from any affirmative recovery because Defendant has acted in good faith at all times with respect to the allegations in Plaintiff's Complaint.

SEVENTH AFFIRMATIVE DEFENSE

As and for a Seventh Affirmative Defense to the Complaint and to each and every claim for relief therein, Defendant alleges that Plaintiff has no trademark rights to the terms "ACCESS NURSING," "ACCESS" or "ACCESS NURSING SERVICES."

EIGHTH AFFIRMATIVE DEFENSE

As and for an Eighth Affirmative Defense to the Complaint and to each and every claim for relief therein, Defendant alleges that some or all of the claims for damages in the Complaint are barred because Plaintiff did not sustain any injury or damages as a result of any act or conduct by Defendant and the damages alleged, if any, are not ascertainable in their nature and origin and/or are speculative in their nature and origin.

NINTH AFFIRMATIVE DEFENSE

As and for a Nine Affirmative Defense to the Complaint, Defendant alleges that some or all of the claims for damages under New York law and/or New York common law in the Complaint are barred as being preempted by federal trademark law.

TENTH AFFIRMATIVE DEFENSE

As and for a Tenth Affirmative Defense to the Complaint and to each and every claim for relief therein, Defendant alleges that its conduct was fully justified and supported by good cause.

ELEVENTH AFFIRMATIVE DEFENSE

As and for an Eleventh Affirmative Defense to the Complaint, Defendant alleges that Plaintiff's claim for relief to recover under one or more causes of action is barred because Defendant's business practices were not "unfair."

TWELFTH AFFIRMATIVE DEFENSE

As and for a Twelfth Affirmative Defense to the Complaint, Defendant alleges that Plaintiff's claim for relief to recover under one or more causes of action is barred because Defendant's business practices were not likely to mislead.

THIRTEENTH AFFIRMATIVE DEFENSE

As and for a Thirteenth Affirmative Defense to the Complaint and to each and every claim for relief therein, Defendant alleges that Defendant's discovery and investigation in this matter is ongoing. Accordingly, Defendant expressly reserves the right to modify or supplement its affirmative defenses as appropriate. Defendant's assertion of any affirmative defense shall not be construed as a concession as to whether or not it bears the burden of proof on any particular issue.

COUNTERCLAIM

Defendant/Counterclaim Plaintiff Access Nurses, Inc. ("Access Nurses") brings the following Counterclaim against Plaintiff/Counterclaim Defendant Alternative Care Systems, Inc. d/b/a Access Nursing Services ("ACS") and hereby avers as follows:

JURISDICTION AND VENUE

- The Counterclaim arises under the Declaratory Judgments Act, Title 28 of the 1. United States Code §§ 2201 and 2202, and Title 28 of the United States Code § 1338 based upon an actual justiciable controversy as to the infringement, validity, and enforceability of the ACS' alleged trademarks and prior use of said alleged trademarks in the field of staffing services for travel nurses.
- Venue in this judicial district is proper under Title 28 of the United States Code 2. §§ 1391 and 1400.

THE PARTIES

- Access Nurses, Inc. is a Delaware corporation with a principle place of business 3. at 5935 Cornerstone Court West, San Diego, CA 92121.
- Alternative Care Systems, Inc. d/b/a Access Nursing Services, is believed to be a 4. New York corporation with a principle place of business at 411 Manville Road, Pleasantville, NY 10570.

CAUSE OF ACTION

First Counterclaim (Declaratory Relief)

- ACS alleges that it has trademark rights to the terms "ACCESS" and "ACCESS
 NURSING" and "ACCESS NURSING SERVICES."
- 6. ACS has no federal trademark registration for the terms "ACCESS" and "ACCESS NURSING" or "ACCESS NURSING SERVICES."
- 7. ACS' federal registration (Reg. No. 2,057,656) is limited to the ACS logo. The term "NURSING SERVICES" has been disclaimed by ACS as not being subject to trademark protection. Thus, ACS' rights are limited its logo and subject to the disclaimer.
- 8. Upon information and belief, ACS did not offer any travel nursing services prior to April of 2007.
- 9. Staffing services for travel nurses is a highly specialized niche market. As such, it is not in the natural area of expansion of ACS or other companies offering general nursing services.
- 10. Access Nurses has numerous federal trademark registrations for its staffing services for travel nurses, including U.S. Registration Nos. 3,229,311 and 3,255,217 for ACCESS NURSES and ACCESS NURSES AND DESIGN respectively.
- 11. Access Nurses has offered staffing services for traveling nurses under its

 ACCESS NURSES trademarks since at least as early as July 2001, which is long before ACS

 attempted to use any marks containing ACCESS for traveling nurse services.
- 12. An actual controversy has arisen and now exists between ACS and Access Nurses concerning ACS's rights in the terms "ACCESS" and "ACCESS NURSING" and "ACCESS NURSING SERVICES."

- 13. Access Nurses requests a judicial determination of its rights and duties and a declaration that ACS has no trademark rights to the terms "ACCESS," "ACCESS NURSING" or "ACCESS NURSING SERVICES."
- 14. A judicial declaration is necessary and appropriate at this time under the circumstances so that Access Nurses may ascertain its rights and prevent any damages caused by ACS' use of its marks in the field of staffing services for travel nurses.

WHEREFORE, for all the foregoing reasons, Counterclaim Plaintiff Access Nurses demands judgment as follows:

- 1. Dismissing the Complaint in its entirety with prejudice;
- A declaration that ACS has no trademark rights to the terms "ACCESS"
 "ACCESS NURSING" or "ACCESS NURSING SERVICES;"
- 3. Awarding the Counterclaim Plaintiff Access Nurses its costs and disbursements of this action;
 - 4. Awarding Counterclaim Plaintiff Access Nurses its attorneys' fees; and
- 5. Granting the Counterclaim Plaintiff Access Nurses such other and further relief as the Court may deem just and proper.

Respectfully submitted,

DUANE MORRIS LLP

Dated:

February 7, 2008

By:

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New York, New York 10168

(212) 692-1000

and

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101 West Broadway, Suite 900

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(619) 744-2200

Attorneys for Defendant/Counterclaim Plaintiff Access Nurses, Inc..

JURY TRIAL DEMAND

Pursuant to Federal Rule of Civil Procedure 38(b) Plaintiff hereby demands a jury trial on all issues triable by jury.

DUANE MORRIS LLP

Dated: February 7, 2008

By:

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